

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION**

In Re:

**TCR III, Inc.
Debtor.**

Case No. 15-14162-BFK

Chapter 11

**Motion For Entry of Consent Order Conditioning
Rights of Debtor(s) in Possession**

The United States Trustee for the Eastern District of Virginia and the debtor(s) herein, by counsel, move this Court for the entry of the attached Consent Order Conditioning Rights of Debtor(s) in Possession on the grounds that:

1. An order for relief under Chapter 11 of Title 11, United States Code, has been entered in this matter, and
2. Entry of this Order will aid in the administration of this case.

Judy A. Robbins,
United States Trustee for
Region Four

Brad Jones

/s/ Bradley Jones

By: Bradley Jones
Trial Attorney

Office of the United States Trustee
115 S. Union Street, Suite 210
Alexandria, VA 22314
(703) 557-7176

Roy M. Terry Jr.

Roy M. Terry Jr.
Counsel for the Debtor(s) In Possession

**UNITED STATES BANKRUPTCY COURT
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In re:

**TCR III, Inc.
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**Consent Order Conditioning
Rights of Debtor in Possession**

Pursuant to agreement between TCR III, Inc., Debtor(s), by counsel, and the United States Trustee, it is hereby **ORDERED** that, pending further order of the Court, Debtor(s) shall remain in possession and conduct business subject to the following conditions:

1. The debtor shall close all present books of account and open and maintain new books of account showing all earnings, expenses, receipts and disbursements of the debtor commencing with the date of the order of relief under Chapter 11 of the Bankruptcy Code, and shall preserve proper vouchers for all payments made upon account thereof.

2. Except as otherwise agreed to by the United States Trustee in writing, the debtor shall close the bank accounts presently maintained, and all funds on deposit shall be transferred to the appropriate Debtor In Possession Account as hereinafter set forth. On or before the date for the first meeting of creditors, the debtor shall furnish the United States Trustee with written evidence of compliance with paragraphs three and four, with the names of all authorized signatories on all debtor accounts, and the existence of and purpose for any account maintained pursuant to paragraph six.

3. The debtor in possession shall immediately open a new bank account in such federally insured depository as the debtor may select. The account shall be opened in the name of the debtor and designated "Debtor In Possession Account," and all income derived by the debtor in possession shall be deposited therein. Disbursements from this account shall be made only upon checks signed by the debtor or authorized agent of the debtor, and each check written on the account shall be imprinted with the debtor's name and the notation, Debtor in Possession Account, together with appropriate additional information e.g., address of the debtor in possession.

4. If the debtor is operating any business, the debtor shall open a second account in a federally insured depository, which shall be designated the Debtor In Possession Tax Account, and in such account there shall be deposited all funds which the debtor is required to escrow

under any state law including payroll, sales, real estate, etc., taxes. During the pendency of these proceedings, such funds shall be disbursed from this tax account, only for the particular purposes for which they set aside and in the manner prescribed by law, by checks signed by the debtor or an authorized agent of the debtor.

5. If the debtor is responsible for payment of salaries to employees, all federal related payroll taxes will be deposited immediately with either the applicable taxing entity, consonant with the requirements of each taxing entity, at the debtor's banking institution each time a payroll is made.

A copy of the IRS form 6123, Verification of fiduciary's Federal Tax Deposit, signed by a bank employee authorized to acknowledge receipt of such a deposit, or such other evidence of payment acceptable to the United States Trustee will be furnished to the Alexandria, Virginia Office of the United States Trustee within five (5) days of making each payroll.

6. Subject to the requirements of paragraph two, the debtor shall be permitted to maintain such other accounts in federally insured depositories as are reasonably necessary and required in the conduct of debtor's business.

7. The debtor shall prepare and file all tax returns required by law, and shall provide copies thereof to the United States Trustee.

8. The debtor shall not pay or satisfy out of the money or assets of the estate any creditor for any debt which was incurred prior to the filing of the Petition or which could be dealt with or affected under the Plan to be proposed herein, except upon order of the Court.

9. The debtor shall not employ any additional personnel, enter into any new contracts for services of any type, except in the ordinary course of business, nor increase the compensation of any officer or management level employee without prior notification to any appointed Creditor's Committee and the United States Trustee.

10. The debtor shall file with the Court, not later than the ~~15~~¹⁵ of each month for the preceding calendar month (commencing with the month following the order for relief under Chapter 11), verified statements of cash flow and, if debtor is operating any business, statements of profit and loss, in compliance with the format established by the United States Trustee. The debtor shall simultaneously serve copies of these reports on the United States Trustee and the attorney for or the chairman of any Unsecured Creditor's Committee appointed herein.

11. On or prior to the date set for the first meeting of creditors the debtor shall provide to the United States Trustee a verified statement or written evidence from the debtor's insurance carrier or broker that, as applicable, worker's compensation, general liability, fire, theft and motor vehicle insurance coverages normally used in the debtor's type of business. The debtor shall immediately notify the United States Trustee of any lapse, cancellation or proposed cancellation of any insurance coverage.

12. The debtor shall timely pay and accurately calculate fees owed quarterly to the

United States Trustee pursuant to 28 U.S.C. 1930.

13. The debtor(s) or debtor designee shall appear at any status meetings the United States Trustee may schedule in this case and shall provide to the United States Trustee such other information regarding the conduct of debtor's affairs as may from time to time be required.

14. Unless first excused by the Court, the debtor or the individual designated by the Court as the representative of the debtor shall attend all hearings in the case.

A copy of this Order shall be served upon the debtor, attorney for the debtor(s), and the United States Trustee.

Subject to the foregoing limitations and conditions, the debtor shall conduct all financial affairs pursuant to applicable provisions of the Bankruptcy Code, Title 11 United States Bankruptcy Code.

Date _____

United States Bankruptcy Judge

We consent to the entry of this Consent Order Conditioning Right of the Debtor in Possession.

Judy A. Robbins
United States Trustee for

/s/ Bradley Jones
Bradley Jones
Trial Attorney
Office of the United States Trustee
115 S. Union Street, Suite 210
Alexandria, VA 22314
(703) 557-1229

/s/ Roy M. Terry, Jr.
Roy M. Terry, Jr., Esq.
Counsel for the Debtor(s) in Possession